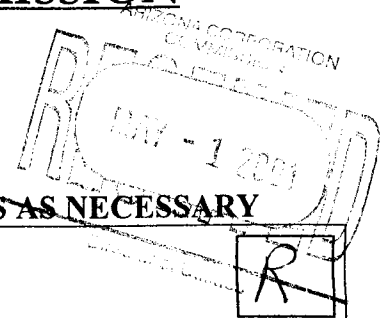


5-1-01
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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION



ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY

W-03718A WATER
RANCHO SAHUARITA WATER COMPANY L.L.C.
~~4780 N. ROCKY CREST PLACE~~ 6339 E. Speedway Ste 102
~~TUCSON AZ 85715-0000~~ Tucson, AZ 85710

ANNUAL REPORT

FOR YEAR ENDING

12	31	2000
----	----	------

FOR COMMISSION USE

AND 04	00
--------	----

COMPANY INFORMATION

Company Name (Business Name) Rancho Sahuarita Water Company, LLC

Mailing Address 6339 E. Speedway Ste 102

(Street)

Tucson,

(City)

AZ

(State)

85710

(Zip)

(520) 299-8766

Telephone No. (Include Area Code)

(520) 529-3137

Fax No. (Include Area Code)

(520) 465-6101

Pager/Cell No. (Include Area Code)

Email Address marshallwaite@hotmail.com

Local Office Mailing Address PO Box 530

(Street)

Sahuarita

(City)

AZ

(State)

85629

(Zip)

(520) 399-1105

Local Office Telephone No. (Include Area Code)

(520) 399-1095

Fax No. (Include Area Code)

(520) 465-6101

Pager/Cell No. (Include Area Code)

Email Address marshallwaite@hotmail.com

MANAGEMENT INFORMATION

Management Contact: Marshall Waite Operations Manager

(Name)

(Title)

PO Box 530

(Street)

Sahuarita

(City)

AZ

(State)

85629

(Zip)

(520) 399-1105

Telephone No. (Include Area Code)

(520) 399-1095

Fax No. (Include Area Code)

(520) 465-6101

Pager/Cell No. (Include Area Code)

Email Address marshallwaite@hotmail.com

On Site Manager: Marshall Waite

(Name)

PO Box 530

(Street)

Sahuarita

(City)

AZ

(State)

85629

(Zip)

(520) 399-1105

Telephone No. (Include Area Code)

(520) 399-1095

Fax No. (Include Area Code)

(520) 465-6101

Pager/Cell No. (Include Area Code)

Email Address marshallwaite@hotmail.com

Statutory Agent: Sid Kohn

(Name)

1200 N. El Dorado Pl Ste H-810

(Street)

Tucson,

(City)

AZ

(State)

85715

(Zip)

(520) 721-4921

Telephone No. (Include Area Code)

722-5767

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Sid Kohn

(Name)

1200 N. El Dorado Pl Ste H-810

(Street)

Tucson,

(City)

AZ

(State)

85715

(Zip)

(520) 721-4921

Telephone No. (Include Area Code)

722-5767

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☒ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☒ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME

Rancho Sahuarita Water Company, LLC (RSWC)

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	210,753	15,055	195,698
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	167,307	3,346	163,961
307	Wells and Springs	217,088	4,342	212,746
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	477,449	9,549	467,900
331	Transmission and Distribution Mains	255,547	5,112	250,435
333	Services	172,759	3,455	169,304
334	Meters and Meter Installations	22,464	---	22,464
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	6,837	1,742	5,095
341	Transportation Equipment	21,555	4,311	17,244
343	Tools, Shop and Garage Equipment	4,766	391	4,375
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	1,556,525	47,303	1,509,222

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

RSWC, LLC

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises	210,753	7.14%	15,055
303	Land and Land Rights			
304	Structures and Improvements	167,307	2.00%	3,346
307	Wells and Springs	217,088	2.00%	4,342
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	477,449	2.00%	9,549
331	Transmission and Distribution Mains	255,547	2.00%	5,112
333	Services	172,759	2.00%	3,455
334	Meters and Meter Installations	22,464	0.00%	0
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	6,837	25.48%	1,742
341	Transportation Equipment	21,555	20.00%	4,311
343	Tools, Shop and Garage Equipment	4,766	8.20%	391
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	1,556,525	3.04%	47,303

This amount goes on Comparative Statement of Income and Expense Acct. No. 403

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 3,923	\$ 33,061
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	12,594	18,427
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 16,517	\$ 51,488
	FIXED ASSETS		
101	Utility Plant in Service	\$	\$ 1,556,525
103	Property Held for Future Use	198,771	
105	Construction Work in Progress	1,120,881	
108	Accumulated Depreciation – Utility Plant	---	(47,303)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 1,319,652	\$ 1,509,222
	TOTAL ASSETS	\$ 1,336,169	\$ 1,560,710

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$ 4683	\$ 7264
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	149666	87,628
	TOTAL CURRENT LIABILITIES	\$ 154,349	\$ 94,892
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	1995	67,715
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$ 156,344	\$ 162,607
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)	1,179,825	1,398,103
	TOTAL CAPITAL	\$ 1,179,825	\$ 1,398,103
	TOTAL LIABILITIES AND CAPITAL	\$ 1,336,169	\$ 1,560,710

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 0	\$ 61,833
460	Unmetered Water Revenue		
474	Other Water Revenues		16,875
	TOTAL REVENUES	\$ 0	\$ 78,708
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$ 34,857
610	Purchased Water		
615	Purchased Power		16,629
618	Chemicals		1,183
620	Repairs and Maintenance		6,291
621	Office Supplies and Expense		2,576
630	Outside Services		9,240
635	Water Testing		2,669
641	Rents		2,670
650	Transportation Expenses		327
657	Insurance – General Liability		324
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense		158
403	Depreciation Expense		47,303
408	Taxes Other Than Income		4,111
408.11	Property Taxes		263
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$	\$ 128,601
	OTHER INCOME/EXPENSE	0	0
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/EXP	\$ 0	\$ 0
	NET INCOME/(LOSS)	\$ 0	\$ (49,893)

COMPANY NAME RSWC , LLC

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt NONE

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ 0

Meter Deposits Refunded During the Test Year \$ 0

COMPANY NAME RSWC , LLC

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
10-312				
55-562962	3	20	8"	1"
55-611144	100	1500	20"	12"

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
NA		

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = _____

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5	1	3	
20	1		
30	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
1,000,000	1	500	1
		8,000	2

STATISTICAL INFORMATION

Total number of customers 102

Total number of gallons sold 27,407,200 gallons

COMPANY NAME RSWC , LLC

YEAR ENDING 12/31/2000

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2000 was: \$ 263

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>(49,877)</u>
Estimated or Actual Federal Tax Liability	<u>NA</u>

State Taxable Income Reported	<u>(49,877)</u>
Estimated or Actual State Tax Liability	<u>NA</u>

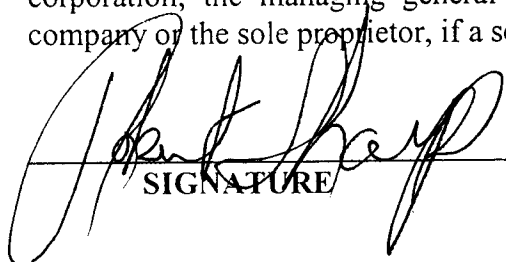
Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>67,715</u>
Amount of Gross-Up Tax Collected	<u>0</u>
Total Grossed-Up Contributions/Advances	<u>67,715</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.



SIGNATURE4/30/01

DATERobert Sharpe

PRINTED NAMEPresident - Sharpe + Associates Inc

TITLE
Managing member

COMPANY NAME RSWC , LLC

YEAR ENDING 12/31/2000

**WATER AND SEWER
UTILITIES ONLY**

PROPERTY TAXES

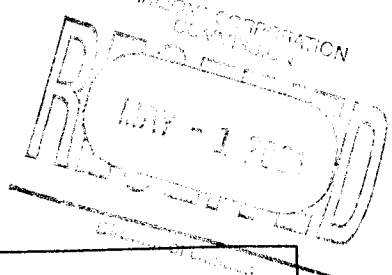
Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2000)

\$ 263

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**



VERIFICATION

STATE OF AZ
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	Pima
NAME (OWNER OR OFFICIAL) TITLE	<i>Robert Sharpe President Sharpe & Associates - Managing Member</i>
COMPANY NAME	Rancho Sahuarita Water Co. LLC

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2000

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2000 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 82,910

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 4,202
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Robert Sharpe
SIGNATURE OF OWNER OR OFFICIAL
(520) 299-8766
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

30TH

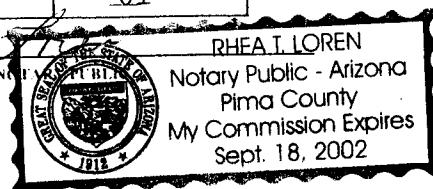
DAY OF

(SEAL)

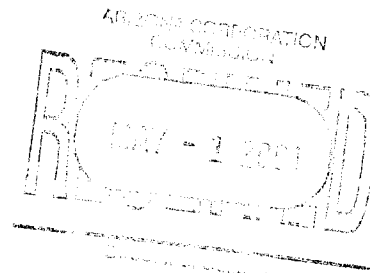
MY COMMISSION EXPIRES 9-18-02

COUNTY NAME	Pima
MONTH	April
YEAR	20 <u>01</u>

SIGNATURE OF NOTARY PUBLIC



**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) Pima	
NAME (OWNER OR OFFICIAL) X Robert Sharpe	TITLE President - Sharpe & Associates - Managing Member
COMPANY NAME Rancho Sahuarita Water Co. LLC	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2000

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2000 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 5,016.00

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 351.12
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X Robert Sharpe
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

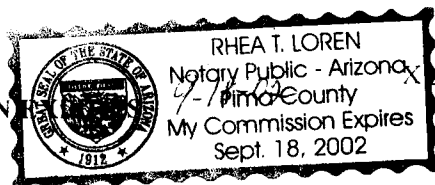
30TH

DAY OF

NOTARY PUBLIC NAME	
COUNTY NAME Pima	
MONTH April	2001

(SEAL)

MY COMMISSION



Rhea T. Loren
SIGNATURE OF NOTARY PUBLIC

ARIZONA DEPARTMENT OF REVENUE
CENTRALLY VALUED PROPERTIES SYSTEM
STATEMENT OF ORIGINAL COST - PER BALANCE SHEET

DIST ID: UMO3 A 02/07/01 10:31:26
REPORT ID: PS1220 - 01
LATEST ACTIVITY: / /

PS1221

TAXPAYER NAME	TRANS CODE	TP CL-NUM	TRANSACTION KEY A CO AREA	ACTION CODE	CURRENT YEAR BLDG & STRUCTURES	CURRENT YEAR PERSONAL PROP	PREVIOUS YEAR BLDG & STRUCTURES	PREVIOUS YEAR PERSONAL PROP	% CHANGE
RANCHO SAHUARITA WATER CO LLC FRED LEWIS/CONTROLLER	30	55-058	10 3002			000	000	1,115,542	
COUNTY TOTAL			10		000	000	000	1,115,542	
TAXPAYER TOTAL		55-058			000	000	000	1,115,542	



National Bank OF ARIZONA

RANCHO SAHUARITA WATER COMPANY LLC

Account # 10082353

Page # 3

1129

Property Taxes Paid in 2000

100.00	5/11/00	1127	129.00
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1129	2/99 943 83 00205	1129
NOV 01 2000		
Two Hundred Sixty-three Dollars and 47 Cents		
PDA COUNTY TREASURER		
12.00	5/17/00	1129
		263.47

1129		1100